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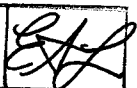
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January 21, 2014

Arizona Corporation Commission  
DOCKETED

JAN 21 2014

Commissioner Bob Burns  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

DOCKETED BY	
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Re: Commission's Inquiry into Potential Impacts to the Current Utility Model Resulting from Innovation and Technological Developments in Generation and Delivery of Energy, Docket No. E-00000J-13-0375

Dear Commissioner Burns,

We appreciate your interest in innovation and technological developments that may impact the current energy utility model. We agree that this is an important issue and look forward to offering our comments through the proposed workshops designed to gather information on such innovations. SRP appreciates the opportunity to participate in this information gathering phase.

SRP has long been focused on research, development and implementation of technologies that bring benefits to the customers we serve. We work in collaboration with a variety of other utilities, universities, trade associations and federal labs to address these issues. SRP believes it is important that Arizona manage its energy future in a way that allows for customers to take advantage of new technologies while maintaining reliable service and low cost energy.

SRP leverages its research dollars through partnerships with a number of institutions. Two of the larger entities we work with are Arizona State University's (ASU's) Fulton School of Engineering and the Electric Power Research Institute (EPRI) to conduct research and development in a variety of areas of interest and priority to the industry and SRP. For more than 30 years SRP has supported a joint research program with the Fulton Schools of Engineering at ASU. SRP also recently established a joint research program with the College of Technology and Innovation at ASU's Polytechnic campus with research focused on the development and utilization of renewable energy technologies and processes.

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Our recent research addresses the areas of managing and preserving water resources, managing and optimizing SRP's retail load, renewable generation, preserving our existing power generation fleet and improving transmission and distribution system reliability. A few examples of such research include:

- Reliability and performance evaluation of batteries in hot/dry climate
- Assessing the technical and economic feasibility of implementing more advanced coal cleaning technologies at existing power plants
- PV battery storage integration
- Performance degradation and reliability evaluation of SRP's solar photovoltaic systems
- Solar hot water system testing and evaluation

In addition to the list of topic areas identified in your letter and the areas of focus for each workshop, there are two additional areas we would encourage you to ask parties to address as part of the workshops or in their comments:

- 1) The Development Horizon for New Technologies – New technology may be commercially available but may not be mature enough for widespread adoption. As we discuss specific types of technology, it is important to understand the maturity level of the technology.
- 2) The Environmental Impacts – All forms of generation have environmental impacts. When discussing some of the new forms of distributed generation resources it would also be helpful to address the potential environmental impacts.

EPRI is an independent, nonprofit organization that conducts leading edge research and development relating to the generation, delivery and use of electricity for the benefit of the public. As a result of EPRI's expansive research, SRP recommends the Commission invite Arshad Mansoor, Senior Vice President of EPRI's Research and Development Group to speak at the initial workshop to discuss the role of new technologies.

We look forward to participating in these workshops and sharing our insights, including some of the exciting technology that we are implementing to better our customer experience. Please don't hesitate to contact me if you would like to discuss further.

Sincerely,



Rob Taylor

cc: Docket Control (original and 13 copies)

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